

STATE OF CONNECTICUT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

* * * * *

STATE ECONOMIC STRATEGIC PLAN JANUARY 25, 2010

PUBLIC FORUM 6:05 P.M.

* * * * *

BEFORE: STANLEY McMILLEN, Ph.D., CHAIRPERSON

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 . . .Verbatim proceedings of a hearing
2 before the State of Connecticut, Department of Economic
3 and Community Development, in the matter of the State
4 Economic Strategic Plan, Public Forum, held at 261 Main
5 Street, Norwich, Connecticut, on January 25, 2010 at 6:05
6 p.m. . . .

7
8
9
10 CHAIRMAN STANLEY McMILLEN: Good evening,
11 everyone. We're going to get started. Thank you for
12 coming out on such a stormy evening, on an atypical
13 January evening. My name is Stan McMILLEN. I'm a Chief
14 Economist with the Department of Economic and Community
15 Development.

16 Commissioner McDonald sends her regrets.
17 Some commitments with the Governor have kept her away
18 from this meeting tonight. Tonight, I want to present,
19 briefly, an overview of the Strategic Plan that we
20 created pursuant to Public Act 07-239, Section Four,
21 which is now codified as Section (microphone
22 interruption).

23 Anyway, the law that was passed in 2007
24 mandated the Department of Economic and Community

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 Development to create an Economic Strategic Plan for the
2 State of Connecticut, and that's what we did over a
3 period of 18 months.

4 Obviously, the situation has changed
5 dramatically since the spring of '07, when this law was
6 passed, and today. We entered into, in March of '08, the
7 State of Connecticut entered into this deepest recession
8 it has been in in 75 years, slightly about four months
9 after the U.S. did.

10 However, as we are in this deep recession
11 and wrestling through it, we need to be mindful of
12 Connecticut's advantages. Connecticut has a strong
13 health care industry. Connecticut is a hub for science
14 and technology.

15 We have a talented, hard-working, highly
16 educated workforce. We have a competitive international
17 presence, and each year we produce a report that
18 identifies how we stack up with our neighbors in New
19 England and other states across the United States, the
20 United States as a whole, and we have abundant access to
21 the (coughing) however, irrespective of the recession
22 that we're now in, we face and have been facing some
23 significant challenges.

24 The demographic shifts that we may be

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 aware of, first of all, we have what we've called the
2 brain drain, the exodus of 25 to 44 year olds looking for
3 greener pastures. We also have somewhat older than the
4 nation workforce that will be retiring over the next 10
5 to 20 years, and we need to figure out how our shoes are
6 going to be filled.

7 We still have a lack of affordable
8 housing. I live in Coventry, and, in Eastern Connecticut
9 here, we're familiar with the Pfizer episode of a few
10 years ago, so affordable housing is relative.

11 We have insufficient mass transit, not
12 only in Fairfield County, but out here we'd like to see
13 Shoreline East extended and our highway system and bridge
14 system brought up to proper standards.

15 We face structural changes in the
16 financial insurance, real estate and the auto and defense
17 industries. Connecticut has -- in the good times, we
18 liked it when the financial sector paid a significant
19 portion of state revenue, but as the personal income tax
20 system has morphed from a relatively stable source of
21 revenue in 1992 when it was passed, it's now become an
22 unstable source of revenue, as it has come to rely more
23 on high-income people, whose income disproportionately
24 depends on equities and bonds and capital gains and so

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 on.

2 As the defense sector changes, that
3 disproportionately affects this part of the state. The
4 automobile industry, the transportation industry in
5 general, through embedded software, microchips and so on,
6 that we do here in the state affects us, as well.

7 Clearly, there's consolidation and
8 downsizing and outsourcing going on in the insurance
9 industry, so these structural changes in the economy are
10 long-term changes that portend lower state revenues for a
11 long time to come.

12 Another challenge that we face is that our
13 municipal services in 169 towns are highly fragmented and
14 duplicative.

15 The economic forecast today appears
16 brighter than it did some months ago. The Connecticut
17 Business and Industry's survey found that many firms are
18 optimistic for recovery in 2010.

19 I participate with the Governor's Council
20 of Economic Advisors, and we think that employment
21 declines will bottom out, that is, will cease, go to
22 zero, sometime mid year, and we may see job growth in the
23 latter part of this year, which would be a very welcome
24 change.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 However, there are many challenges that
2 remain. The businesses the CBI surveyed cite business
3 costs are of great concern. Most companies cite an
4 unfriendly business environment in the state, and, for
5 most of these companies, government is to blame.

6 While the Economic Strategic Plan was born
7 of these challenges and attempts to address them, and
8 specifically competitiveness and ways to strengthen the
9 state's industries, its workforce and performance. It
10 consists of a comprehensive vision, which we synthesized
11 from 10 public hearings back in '08 and '09, one of which
12 we had here at UConn, Avery Point.

13 The fattest part of the plan is a baseline
14 characterization. The idea is we figure out where we
15 want to go, but we have to know where we are, and then
16 the third part is how to get there, so the baseline
17 characterization looks at Connecticut's industries, its
18 culture and tourism, assets, its energy sources and uses,
19 and the organization of energy providers.

20 It looks at the structure of its
21 industries. It looks at its demographics. It looks at
22 its social services and a myriad of other aspects of the
23 economy, sort of like a billion points of data that
24 somehow is organized into a story to, if you read it, you

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 would understand something in great detail about the
2 State of Connecticut.

3 It does not address specific sectors, and,
4 by that, I mean industrial sectors. One of the things
5 that the law said was to address clusters, and we
6 purposely didn't address clusters, because clusters were
7 created by the former Governor, and they were created by
8 Fiat, and they don't necessarily encompass all the
9 industries that might want to be or deserve to be in a
10 cluster.

11 So we didn't single out any specific
12 industry, or group of industries, or region. The idea is
13 to provide a framework, so that policymakers can create
14 fertile soil in which all industries can grow and thrive,
15 and you'll see as we go on what we mean.

16 What we heard in those 10 public forums
17 was sort of grouped into these categories. People were
18 concerned about housing, the lack of affordable housing,
19 high energy prices. We have the highest energy prices in
20 the 48 contiguous states. Culture and tourism, we need
21 to leverage those assets to bring businesses and workers
22 here and tourists.

23 Business is a business-friendly and
24 competitive climate. Government, the somewhat unfriendly

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 perception of government, regulation, taxes and so on.
2 There was a vision of creating a world class education
3 system and workforce development, as well as a world
4 class transportation system. So these are the components
5 of the vision.

6 The strategies, there are 66 initiatives
7 that we synthesized. Actually, I came up with 152. The
8 Commissioner and myself winnowed them down to 66, and
9 that's what appears in the document.

10 She grouped them into three major
11 categories, talent and technology, cultivating
12 competitiveness and responsible growth. And of these 66,
13 I'm just going to give you a few examples under each
14 category.

15 Under talent and technology, we propose
16 creating a workforce and education cabinet, and this
17 would bring together the heads of agencies that are
18 engaged in education, the State Department of Education,
19 the Department of Higher Education, State Boards of
20 Education, the Board of Governors of Higher Education and
21 workforce people, OWC, the Office of Workforce
22 Competitiveness, the Workforce Boards, and other people
23 at the highest level under the Governor.

24 We're not creating something new. It's

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 just getting everybody in the same room around the table
2 and saying this is what we need to achieve, and I want
3 you to go out and achieve it.

4 We're proposing creating a 100-million-
5 dollar student loan pool. This would be where students,
6 who could attend any university they want anywhere in the
7 country and borrow up to 50,000 dollars for that purpose,
8 and, if they came back to Connecticut and lived in the
9 state, for every year up to 10 years they lived in the
10 state, they'd be given 10 percent of their loan, so that
11 should incentivize people to not only go to school, but
12 come back here and work.

13 And we think, once they do that, if
14 they're in the state for 10 years, then they've probably
15 bought a house, settled down and started a family, so
16 we've probably captured them back.

17 And the other thing is we give additional
18 incentive if they were to choose science, technology,
19 engineering and math, STEM, occupations, because that's
20 the kind of workforce that we need.

21 We would create a Connecticut tech fund
22 for the 21st Century. This would arise out of
23 consolidating existing funding sources and public private
24 partnerships to underwrite emerging technologies, bring

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 technologies from our world class universities to the
2 marketplace sooner. We would create a new angel investor
3 tax credit, so some of the wealth in this state could be
4 funneled and be rewarded to foster bringing small
5 businesses to scale.

6 We would form a talent and technology
7 consortium that would consist of the Deans of the schools
8 of engineering around this state, business leaders and so
9 on that would look at emerging technologies and signal,
10 identify those that needed the most help, and what kind
11 of help they needed. And to leverage our strong health
12 care industry, we're advocating creating an office of
13 clinical trials.

14 Under competitiveness, we want to examine
15 the tax structure, and that's a process that I'm actively
16 engaged in. We want to reform the budget process. We
17 want to reduce the number of representatives.

18 One of the things that, if you look at
19 other states and you look at the number of
20 representatives as a fraction of the population,
21 Connecticut has a significantly higher ratio
22 representation to population than many other states.
23 Perhaps there's efficiencies that could be gained.

24 We propose creating a state marketing

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 fund. I'm not sure the Commissioner agreed with me. I
2 said something like 30 to 50 million. The idea is that
3 we have, as you well know, a lot of talent, not only
4 talent, but culture and tourism assets, heritage assets,
5 and our world class workforce, our hard-working,
6 creative, innovative people, world class companies, and
7 we need to tell the world about that and make people
8 understand.

9 This is the most productive workforce in
10 the world. Our GSP per capita is number one. I mean
11 that speaks volumes. We need to let the world know about
12 that.

13 Another issue here is to promote
14 regionalism, and it's under competitiveness, because our
15 state is in competition with mega regions around the
16 country and around the world, and they are competing with
17 Connecticut for our jobs, for their unfair share of
18 federal assistance, and for international trade, so we
19 need to figure out how we can work together.

20 I'm not saying eliminate home rule. Don't
21 read that in. There's no hidden agenda here, but how we
22 can work together and promote regionalism, such that we
23 can be competitive with mega regions around the world.

24 Under responsible growth, we proposed

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 creating another cabinet. This is a cabinet at the
2 Governor's level, and, again, this is not another layer.
3 It's basically taking people who are responsible for that
4 today, the Commission of DEP, Transportation, Economic
5 Development, the Housing folks at CHFA, CDA, CI and so
6 on, and putting them together at the table and saying
7 this is what we need to accomplish. Go back and figure
8 out how.

9 We're proposing trading at Connecticut
10 Port Authority, where the three existing organizations
11 that are responsible for -- ports combined, and we also
12 bring in Bradley Airport and Tweed Airport to leverage
13 those assets as an engine of economic growth.

14 We need to leverage our assets as an
15 engine of economic growth. We have great ports. They
16 need to be dredged. We understand that. In addition, we
17 need to create a maritime investment fund, so we can
18 build the infrastructure to and from those ports and
19 modernize them.

20 Homeland security is a big issue, so we
21 propose creating -- I'm not sure what the number is.
22 Maybe 100 million dollars in a maritime investment fund
23 to bring our ports to world class scale.

24 Expand Bradley and collaborate with the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 Boston and New York airports. We're part of a regional
2 system, and, in the good old days, not too many years
3 ago, when Logan and New York airports were overcrowded,
4 Governor Rowland was actually engage in talks with
5 Massport to use Bradley as overflow.

6 Well maybe we can coordinate and not just
7 do overflow, but, also, funnel planes to and from and
8 actually share the traffic. The other aspect about
9 expanding Bradley is to expand it to international
10 routes, so people don't have to use the New York and the
11 Boston airports.

12 Another example of our initiatives under
13 responsible growth is to create a responsible growth fund
14 for the 21st Century, and the idea here would be to bring
15 together existing funding streams and public/private
16 partnerships to fund the renovation of existing
17 buildings, downtowns, brown fields as one of our largest
18 assets to, you know, bring our downtowns and our urban
19 areas back to life.

20 So we're here tonight to comment on the
21 initiatives. The forum is being transcribed. You're
22 nominally limited to three minutes. Please sign up if
23 you haven't done so already. Be as specific as you can.

24 If you have an idea in the middle of the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 night and you didn't remember to speak, you can e-mail me
2 at this e-mail address. And the idea here is to flesh
3 out the strategies and initiatives that are presented in
4 the plan, which are on page 530 to 542.

5 We're looking for your input on
6 priorities, funding, accountabilities and other resources
7 required, timing and implementation details, either steps
8 or tactics, and specific metrics. We have our ideas, but
9 we'd like your ideas, as well, so we'll open it up to
10 public comment.

11 If you have signed up, and I'll call your
12 name, just come up to the microphone. As I said, the
13 session is being recorded. John Markowicz?

14 MR. JOHN MARKOWICZ: For the record, I'm
15 John Markowicz. I'm the Executive Director of the
16 Southeastern Connecticut Enterprise Region, a regional
17 non-profit economic development organization.

18 We've been around for almost two decades
19 now, and we work very closely with both our municipal
20 partners, some of whom are in the room here this evening,
21 and their development organizations.

22 Bob Mel(phonetic) is here from NCDC,
23 Eastern Connecticut Workforce Investment Board, John
24 Beauregard is here this evening, and, also, the tourism

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 district, Ed Dombroskas, is here representing them, and
2 there may be others behind me.

3 I will comment specifically on the item on
4 page 535 under cultivate competitiveness, item number
5 five. I will read it. "Encourage regionalism." I would
6 note this is, I think, the only place in the
7 recommendations where the word "regionalism" appears. A
8 little bit distressing. "And give priority for federal
9 and state programs to those communities that form
10 regional partnerships."

11 As I've indicated, both with
12 Sector(phonetic), that's been around for almost two
13 decades, which is in Southeastern Connecticut and which
14 is the Council of Governments, we have been regional for
15 quite awhile, and, so, I think we have accomplished in
16 some measure what is being recommended in this phase of
17 the strategy.

18 I would also note, on the 4th of December
19 in 2007, when the Commissioner held her public hearing at
20 Avery Point, we made a specific recommendation on here to
21 restate that recommendation.

22 I sincerely request again that
23 consideration be given by the departments and the other
24 agencies of the State of Connecticut to authorize the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 establishment of economic development districts in the
2 State of Connecticut, and I personally volunteer Sector
3 to be the first.

4 The reason I make that request is because
5 it allows Sector and other economic developments, of
6 which there are several hundred in the country, access to
7 sustaining funds from the Economic Development
8 Administration. In other words, acts as federal programs
9 in the order of 50,000 to 60,000 dollars a year, which
10 provides organizational support to the organization to
11 maintain and update its comprehensive economic
12 development strategy, which we did about six years ago.

13 It's now basically expired. We've been
14 negotiating almost two years back and forth for a grant
15 application to the EDA. We would have done that already
16 if we were a district. And by having the comprehensive
17 economic development strategy in place and priority
18 projects, it allows, for example, the Norwich Hospital
19 project to be on that priority list, and, therefore, to
20 go and access the types of federal funds that are
21 available from the EDA for infrastructure.

22 So, again, please pass along to the
23 Commissioner, and I know she's worked with various state
24 agencies, perhaps been frustrated by the Office of Policy

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 and Management, that consistent with that specific
2 recommendation in the strategic plan we, once again,
3 restate our request, that the State establish economic
4 development districts, and I volunteer Sector to be the
5 first. Thank you.

6 CHAIRMAN McMILLEN: Thank you, sir.

7 Steven Cohn?

8 MR. STEVEN COHN: My name is Steve Cohn.
9 I'm a volunteer for the Town of Colchester. I'm the
10 Chairman of the Economic Development Council, and I
11 appreciate the time.

12 We try to prioritize what the State could
13 do for us, as far as the Economic Plan goes, and we have
14 five points, the three of which will be top priorities
15 for us. One would be infrastructure in the way of
16 grants, or support, incomplete water and sewer lines.

17 It's obviously tremendously expensive.
18 The completion of that loop, to best put it, would help
19 us better attract businesses, help lower the cost of
20 businesses coming to the area. That would be a huge plus
21 for us on the economic development side. It will
22 definitely spur economic growth, as well as the
23 infrastructure project, itself, would add jobs.

24 The second aspect that would really help

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 us would just basically be people on the ground, whether
2 it's regional, but we were even thinking right now we're
3 exploring the possibility of adding a part-time economic
4 development coordinator. We'd love to be partnered with
5 three or four neighboring towns or similar towns and have
6 someone be a point person to help us with economic
7 development, with business expansion, attracting new
8 businesses, grant writing, just a good, solid,
9 professional resource to help us, because, as with most
10 towns, our budget is strained, and it's going to be a
11 challenge to add even a part-time person, even get
12 someone that can offer some planning and zoning advice,
13 help us re-write regulations, anything that would relieve
14 the existing town people of the burden of doing it
15 themselves, because, right now, we're relying on them, as
16 well as volunteers, so we need additional resources more
17 than ever.

18 And, three, as far as, you know, really
19 tying into the economic program, we feel our town could
20 be an ideal place to expand Connecticut's educational
21 system with the UConn branch. We have Avery Point,
22 Stamford, Hartford, Storrs. Colchester is kind of right
23 in the middle, and we'd love to have some type of
24 expansion campus, or offsite campus there.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 We also feel that, you know, we've done
2 some things in the community to be a little more
3 innovative, so tying in with green job retraining and
4 engineering field. We have Connecticut's first
5 geothermal green communities. Once again, that was
6 called White Oak Development.

7 We also just recently approved the
8 regulations for a mixed use development program, called
9 Settlers Green, so we've done some innovative things in
10 our community. We'd love to tie that in with some
11 educational or engineering resources.

12 The last two points was we currently have
13 a CTIP program, which is a property tax incentive
14 program. It really doesn't have a lot of teeth. We'd
15 love to someone pass in the State of Connecticut. That
16 would almost set us up as -- as an enterprise zone, so
17 that will add more beef to our property tax exemptions.

18 And then, of course, transportation. We
19 have busing, train facilities, any type of mass
20 transportation. As we have talked about, the program
21 would be a benefit to our town. Thank you.

22 CHAIRMAN McMILLEN: Thank you, Steve.
23 Elsie Bisset?

24 MS. ELSIE BISSET: Good evening. I'm

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 Elsie Bisset, the Economic Development Coordinator for
2 the Town of Killingly. I am an active member of CEDA,
3 the Connecticut Economic Development Association, and
4 past president. I represent Killingly, the largest of
5 the towns along Interstate 395 corridor in the
6 Northeastern part of the state, which we also have the
7 Eastern Connecticut Enterprise corridor, comprised of
8 eight towns along the interstate.

9 In reviewing the plan, on page 535, number
10 five, it states the vision for encouraging regionalism
11 and giving priority for federal and state programs to
12 communities that form regional partnerships, as has
13 already been mentioned from the first speaker.

14 The Northeastern section of the state has
15 a partnership already formed of 22 towns, which make up
16 our Regional Comprehensive Economic Development Strategy.
17 The CEDS document was originally approved by the Economic
18 Development Administration in 2002. We've done a five-
19 year update, as well as annual updates to the plan.

20 We are requesting the Department's
21 support, along with the Governor, to form an Economic
22 Development District, which will give us eligible status
23 for federal programs. These districts would be an
24 important way to implement the strategies in your plan

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 for regional partnerships.

2 Secondly, I would like to comment on the
3 implementation of state funded Municipal Development
4 Plans. The Town of Killingly's MDP was approved by DECD
5 in January of 2008. One of the goals of an approved plan
6 was to continue to implement the plan, which is
7 construction of the necessary infrastructure and roadway
8 for this expansion area of our industrial park.

9 Killingly's industrial park is one of the
10 state funded parks in Eastern Connecticut, which is
11 completely full, and we have an expansion that we
12 purchase 70 acres adjacent to this, which we did the MDP.

13 Since the Development Plan was approved,
14 there hasn't been state funds available to continue this
15 project to completion in order to market the parcels for
16 sale, due to lack of infrastructure.

17 Once built out, this expansion area is
18 estimated to perform for 390,000 square feet of
19 industrial businesses. I would request that the
20 Strategic Plan address this issue. Make it a strategy to
21 finish the economic development projects, which are
22 underway at the present time, before beginning new
23 industrial park projects.

24 This will provide continuity as we proceed

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 with the strategic vision for Connecticut. Thank you for
2 this opportunity to address you, and I have handed in
3 written testimony.

4 CHAIRMAN McMILLEN: I have that.

5 MS. BISSET: Thank you.

6 CHAIRMAN McMILLEN: Thank you. Ed
7 Dombroskas?

8 MR. ED DOMBROSKAS: Good evening, Stan.
9 I'm Ed Dombroskas from the Eastern Regional Tourism
10 District, and I'm here with my colleague, Paul Mayer,
11 from the Central Tourism District.

12 Looking at your report, we appreciate the
13 recognition of culture and tourism as an important part
14 of Connecticut's economic base. Some of the statistics
15 are certainly familiar to us, having worked over the past
16 few years.

17 Given the current economic conditions in
18 the state, it's important to note the number of jobs and
19 the percentage of Connecticut's employment base that is
20 represented in the culture and tourism sector.

21 Tourism is, however, not automatic. It
22 needs to be competitive, and we are competing with other
23 states. Build it and they will come simply doesn't work
24 in a practical situation.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 As we look toward the implementation of a
2 plan like this, we are buoyed by the thought that there
3 would be additional funds allocated to marketing
4 Connecticut, including culture and tourism, and it's
5 important that those funds be preserved in order to
6 preserve those jobs. Thousands of jobs really are at
7 stake in the industry.

8 Regionalism is very evident in the tourism
9 industry in the state, and it's important to know, too,
10 that the tourism industry, by the very nature of it,
11 regional approach also encourages private, public
12 partnerships, which are an important part in leveraging
13 additional funds, again, especially in this economic
14 condition.

15 We believe that the investment and
16 recognition of tourism as an industry and as an economic
17 generator will support the state long into the future and
18 encourage other growth in other industrial areas by
19 maintaining the quality of life in the state. Thank you.

20 CHAIRMAN McMILLEN: Thank you, Ed. Bob
21 Mills?

22 MR. BOB MILLS: Thanks, Stan. Again, Bob
23 Mills with the Norwich Community Development Corporation.
24 I'm second vice-president of CTIS(phonetic). I'm on the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 Board of Directors at CERC, and I'm a member of the IEDC,
2 as well, so economic development is fairly central to
3 what I do, as the councilors that are here can testify.
4 I spend six or seven days a week working on this stuff.

5 I'm here really to kind of react to some
6 of what has been said tonight already. First off, it's
7 fairly disconcerting to me that this state follows almost
8 every other state in the nation, as far as EDA funding.

9 Mr. Markowicz pointed out I think we're
10 51st, or something like that, out of 50 states. It's
11 pretty scary that we're that disorganized, and it's very
12 disappointing.

13 The second thing is that, also, the
14 cluster system, or the cluster approach, while it doesn't
15 necessarily include everything, that cluster initiative
16 that was started with Rowland the state spent millions
17 and millions of dollars developing that approach.

18 Private industry in cities also spent
19 millions and millions of additional dollars, and tens of
20 thousands of hours were invested in developing that
21 approach, and now Governor Rell was absolutely a part of
22 that whole system back when it was going on, so it's very
23 disappointing, again, to see us start a big initiative
24 like that that was really pulling everybody together, and

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 then we just throw it away and do nothing instead.

2 This is a huge disappointment. We could
3 have been making some headway over the last several
4 years, and we chose not to, so that's also a -- I think
5 that's a problem.

6 As a state, we don't really have a
7 rallying cry for economic development. We are all left
8 to our own devices, our own ends. It's up to each one of
9 us to pull together our partnerships and all that. It is
10 horribly disconcerting.

11 And John Markowicz had also mentioned the
12 Norwich Hospital site, a state-owned asset that the state
13 -- you know, I just sent Ned Moore an e-mail this week.
14 It looks like the state is treating it like a bad vehicle
15 out of a motor vehicle fleet, puts it on eBay, and the
16 highest bidder come and take the thing away. We don't
17 want anything to do with it.

18 If we really were promoting regionalism,
19 if we really believed what we're talking about here, the
20 State would take the lead on an asset that the State
21 owns, and, you know, it's obviously got some troubles to
22 it, it would be a great opportunity for the State to work
23 with us in this region to show us how to get it done.
24 What a perfect opportunity, instead of just discarding it

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 like a used motor vehicle.

2 Energy prices. I have formerly been
3 heavily involved in the utility industry, and it's our
4 own regulations, and it's our own design, by, you know,
5 trying to disaggregate a vertically integrated industry
6 and spread it across free markets and wait until the
7 prices get up high enough that we can open some
8 competitive nature to the business. It's just the wrong
9 way to do business.

10 It shows us, again, the lack of foresight
11 in the leadership here in the state. The cost of doing
12 business is a related issue. The reason this is such an
13 expensive place to do business is because all we really
14 want for business is the very, very highest end
15 businesses, because nothing else can survive, because of
16 the cost of running the State.

17 And you mentioned that you were doing some
18 tax work. You've got to go back to the State spending.
19 I mean this is a great time to look at that, but the
20 reason the taxes are so high is because we spend five
21 times every penny that we can pull in, so we've got a lot
22 of structural problems to try to figure out.

23 Unfortunately, I think that, it's my view,
24 that all of us that are involved in economic development

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 are not really being pulled together. This is a state,
2 made up of 1,000 different islands and none of which are
3 connected. That is an opportunity for Joan, for you
4 guys, for the Governor to pull us together to marshal the
5 forces that we can work in a common united voice.

6 I'm real proud to say that I think
7 Norwich, itself, is well underway of trying to get all of
8 its internally focused agencies working together to the
9 same kind of thing in a microcosm sort of level. We'd
10 like very much to work with the neighboring communities
11 around us.

12 This idea about mega regions and the
13 transportation systems, the thing that worries me about
14 the term "mass transit" is because I know what is being
15 talked about is the I-95 and 91 corridor, and that's
16 going to leave Eastern Connecticut largely out of the
17 mix.

18 As I sat in my office and watched people
19 come in from the marina, asking how do they get from one
20 town -- just to Colchester from Norwich, there isn't the
21 public transportation system available to do it, so
22 while, yes, we're talking about commuter rail, there's a
23 public transportation system that's really in need here.

24 And for Mr. Dombroskas, you know, all of

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 those people that are coming out here to visit this side
2 of the state, they would love to have a way to get
3 around, other than the motor vehicle, all right? Just
4 reaction. Thanks.

5 CHAIRMAN McMILLEN: Appreciate it. Thank
6 you, Bob. John Beauregard?

7 MR. JOHN BEAUREGARD: Good evening. My
8 name is John Beauregard. I'm the Executive Director of
9 the Eastern Connecticut Workforce Investment Board. I'm
10 also a Board member of the Southeastern Connecticut
11 Enterprise Region.

12 We are one of five Boards in the state.
13 We have a responsibility under federal law to coordinate
14 workforce and job training programs, and we do that in
15 partnership with the 41 chief elected officials in
16 Eastern Connecticut.

17 This coordination responsibility that we
18 have is where I'd like to focus my comments, specifically
19 on page 531. On 531, you talk about the Talent
20 Development Plan, and there are two things in that that I
21 would like to support, and I would also like to recommend
22 a third that I think that would improve the plan
23 tremendously.

24 CHAIRMAN McMILLEN: Okay.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 MR. BEAUREGARD: The two things that I
2 liked, and I hope I'm not reading too much into this, but
3 the first was the change in approach. I think you really
4 outlined a true talent development strategy, which is
5 something that's very different from the simple job
6 training short-term type thing that goes on right now,
7 and I think it is that Talent Development Strategy that
8 will drive economic development.

9 The second thing that I thought you did
10 quite well is to identify the key players and call for
11 their coordination. A lot of times, when people think of
12 your Talent Development Strategy, you often don't reach
13 down to the early childhood levels, and, naturally K-12,
14 which is mentioned in postsecondary, the workforce
15 development system, economic development, naturally those
16 all fit in.

17 But you do point out, I think, that the
18 individual successes by each of these organizations has
19 to now be tied into an integrated and coherent strategy
20 in order for us to move ahead, and I commend you for
21 that.

22 CHAIRMAN McMILLEN: Thank you.

23 MR. BEAUREGARD: What I thought was
24 missing, and I have to admit I was very disappointed by

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 this, was, especially since you do such a good job with
2 it on page 339, when I went down to UConn, Avery Point,
3 two years ago, one of the things I was trying to stress
4 the importance to the Department on was a program called
5 Incumbent Worker Training. It is described in great
6 detail on page 339, and when I looked on 531 at the final
7 piece of what you were laying out, there's a very clear
8 strategy.

9 We're going to go from middle school to
10 high school to college to employment. We left out that
11 final piece of that investment in our workforce, and that
12 is through employers.

13 CHAIRMAN McMILLEN: Yeah.

14 MR. BEAUREGARD: Quite often, we do a lot
15 of the best training that we in the state in hand-in-hand
16 with those employers, and it's an excellent opportunity
17 to get a great investment on our dollars, because we are
18 matched one-for-one with dollars from the private sector.

19 I would ask that you consider moving that
20 into the strategy section.

21 CHAIRMAN McMILLEN: Okay.

22 MR. BEAUREGARD: Finally, I would also
23 suggest that the thousands of workers that we have on
24 unemployment right now are a tremendous asset to our

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 skilled labor pool. Yes, they are unemployed right now,
2 but we can move them to help advance our economy. This
3 type of incumbent worker on-the-job training helps us to
4 do that.

5 And, finally, just a last point. You
6 mentioned STEM. I'd like to let you know that in this
7 region we have what's called an Eastern Connecticut STEM
8 Council. It was formed in response to the Governor's
9 Commission from two years ago on diversification, and
10 we're starting to get some traction.

11 We've been able to work with our
12 colleagues around the state and win one of the nation's
13 five STEM awards for two million dollars to gain some
14 traction in that area, so we're moving forward, and I
15 applaud that being in the plan. Thank you.

16 Oh, yeah. John raised a good point. One
17 of the other things we were able to do is win what's
18 called a Regional Innovation Grant, and we did a
19 partnership with, just over the border in Rhode Island,
20 Washington County, Rhode Island, and Worcester County,
21 Massachusetts, to study Eastern Connecticut and what
22 strategies that we could take on.

23 We're taking on an approach, frankly,
24 that's a little different than the industry cluster

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 approach. We've adopted something called competency,
2 industry competencies, because industry clusters, the way
3 the market is moving right now, is really too hard to pin
4 down. With industry competencies, we get skills that
5 crosscut a number of different areas.

6 CHAIRMAN McMILLEN: Yeah.

7 MR. BEAUREGARD: And we're starting to lay
8 the groundwork for implementation of that right now and
9 excited about it.

10 CHAIRMAN McMILLEN: Okay.
11 Congratulations.

12 MR. BEAUREGARD: Thank you.

13 CHAIRMAN McMILLEN: Sounds like good
14 things on the horizon.

15 MR. BEAUREGARD: Yeah. We think so.

16 CHAIRMAN McMILLEN: Tom Phillips?

17 MR. TOM PHILLIPS: Good evening.

18 CHAIRMAN McMILLEN: Hi.

19 MR. PHILLIPS: My name is Tom Phillips.
20 I'm President and CEO of Capital Workforce Partners.
21 It's a Workforce Investment Board and Central Connecticut
22 based. In Hartford, we serve 37 communities.

23 I'm a transplant here tonight, because I
24 couldn't get to Central Connecticut State University, so

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 I drove down.

2 CHAIRMAN McMILLEN: Thank you.

3 MR. PHILLIPS: But I'm pleased to be here
4 to make some comments. John obviously gave you the
5 background of Workforce Investment Boards, and what I
6 just wanted to talk about was a little bit about a couple
7 of things that were in the plan, but, first, just to talk
8 about, as a state, we need to assist workers who have
9 been laid off or otherwise dislocated for reentry into
10 the workforce.

11 We need to help them gain skills and
12 transition into new careers, and we need to do everything
13 we can for our youth and keeping the best and brightest
14 in our state and insuring that, at a minimum, high school
15 students are prepared with a consistent set of
16 educational standards and career competencies structured
17 to encourage continuous learning and meaningful careers.

18 I heard you comment about the brain drain.
19 I know we're about 47th, I think, for 21 to 40 year olds,
20 in terms of what we're losing, so there is obviously a
21 concern.

22 Certainly, when you look at 40 percent of
23 the future workforce potentially coming from urbanized
24 areas, you have achievement gap. You have graduation

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 rates below 50 percent. We have some issues.

2 But the two I'd like to focus on, the two
3 points in the plan, was the expansion the state's job
4 funnel program.

5 CHAIRMAN McMILLEN: Yeah.

6 MR. PHILLIPS: And, also, the expansion
7 and development of the green industry sector. I focus on
8 both of these initiatives, because we have to really look
9 at how it's going to impact the state's economy, not
10 today, but, obviously, in the future, and we tend to be
11 very reactive in our approach to things, and, so, while
12 we have a recession, we have to be reactive.

13 At the same time, we have to be proactive
14 in addressing what you mentioned before, about the
15 demographics that we're going to be facing. Those
16 challenges I think are going to make the recession pale
17 by comparison.

18 The state's job funnels have been
19 instrumental in providing employment training, key
20 certifications in the construction industry. I can say,
21 in Hartford alone, the program that has been in operation
22 for 10 years has trained over 2,000 workers in
23 construction related and other careers.

24 Many of these individuals who are trained

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 have overcome key learning deficiencies and personal
2 challenges. Many of them were former offenders, as well,
3 and they found employment and gained credit and now
4 (coughing) own a home. They've really done quite well.

5 In addition to the high paying
6 construction jobs that the funnel has accommodated, we
7 like DECD's goal of expanding the funnel to include
8 bioscience, green technology and STEM, Science,
9 Technology, Engineering and Math. Specific training can
10 take the best practice model and broaden its reach, so we
11 think we have the foundation.

12 And we'd also recommend that one of the
13 areas that needs to have a funnel established would be
14 Eastern Connecticut, through the Workforce Board here,
15 and then we'd have the whole state covered pretty much.

16 Capital Workforce Partners most recent
17 annual committee indicated in its report that the
18 percentage of degrees in science, technology and math
19 awarded by Connecticut colleges is an abysmal and that
20 the trend has shown no movement with just over 10 percent
21 of the graduates earning degrees in science, technology
22 and math.

23 Further, if we go back into secondary
24 education, at earliest stages we're looking at about 14

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 percent of fourth graders in our state's urban centers
2 are achieving proficiency in math CMT compared to the
3 state's 48 percent. Again, where is the future workforce
4 coming from if we want to get into the biosciences,
5 etcetera?

6 As far as expanding the green technology
7 sector, on a proactive front we believe we are well
8 positioned to answer the nation's call for energy and
9 efficiency and sustainability, and through the training
10 and statewide workforce development programs we can
11 position Connecticut's workforce to lead the way in these
12 emerging technologies.

13 If you look at the Pew Charitable Trust,
14 they did a study in 2009 and indicated that since 1998 to
15 2007 we had just under three percent decrease in total
16 jobs. At the same time, we saw a seven percent increase
17 in clean energy jobs, so the trend is definitely there.

18 Through stimulus funding, the Capital
19 Workforce Partners region recently graduated 14
20 individuals training for weatherization, electricity --
21 excuse me, for weatherization as part of the 64 million
22 dollars in stimulus money that was made available.

23 This is certainly job creation in a
24 growing industry. And even though it's a focus on

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 residential at this point, we think that the market is
2 going to open up for commercial and other buildings, as
3 well, that will include energy retrofitting applications,
4 so we certainly, again, have a foundation to work from,
5 we think.

6 I just want to mention one last point, is
7 that we continue to strengthen a relationship with DECD,
8 OWC and others, and we have to continue to work on talent
9 business development and make sure that it's intertwined
10 in many ways and that the systems are really aligned and
11 working together to focus on what we think are the key
12 workforce sectors that are showing growth potential.

13 I'll just close by saying that I think one
14 of the key things that needs to be in this report is not
15 just collaboration, but a need to align secondary higher
16 education workforce development and economic development
17 plans and programs and funding to a set of common talent
18 pipeline goals and outcomes, because really the bottom
19 line in all of this is economic competitiveness. Thank
20 you.

21 CHAIRMAN McMILLEN: Thank you.

22 (Off the record)

23 CHAIRMAN McMILLEN: Ernie Cohen?

24 MR. ERNIE COHEN: Good evening. My name

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 is Ernie Cohen. I'm a small businessman here in the
2 Norwich area. I'm very active with community activities.

3 I've been sitting here getting angrier and
4 angrier thinking about the situation that happened here
5 in Eastern Connecticut. The lack of development that has
6 occurred here is a real tragedy.

7 When I think of how the State handled the
8 Norwich Hospital property, they hired Spalding & Slye
9 over 10, 15 years ago, and then they ripped the rug out
10 from under them, telling them that they couldn't develop
11 the park with small businesses, which they wanted to do.

12 The State interfered and told them they
13 had to get one big, large industry, and it had to be an
14 entertainment industry, and, so, Spalding & Slye failed,
15 and it wasn't their fault. It was the State's fault.

16 And when you look down at poor Trumbull,
17 another terrible example of how the State interfered and
18 promoted only the Pfizer's interest down there. And the
19 cluster idea, that they were going to bring Biotech into
20 that area, was torn down, and the State allowed it to
21 happen.

22 So the State has a serious problem when it
23 comes to not cooperating with the region that they're
24 trying to develop. I would like to see more cooperation

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 with the State down in this area. In fact, I'd like to
2 see a regional office of the State's Economic Development
3 Group down here.

4 I think, that way, they'd have a real
5 knowledge of what's going on here in this area. Many of
6 the people complain that I've talked to say the State is
7 too remote in this area, and, when they do get involved,
8 their politics gets in the way, and they don't really
9 have it.

10 So let me just get -- now that I've got
11 that off my chest, I feel a little better. I know
12 there's a new group in Hartford. I know that Governor
13 Rowland was largely responsible for some of those goof
14 offs, and I know that we have a new group and a new
15 outlook, so I'm looking forward to that.

16 Let me just take a couple of the issues
17 on. You're an expert on taxation. My only experience
18 with taxation was I was a member of the Connecticut
19 party, and I ran with Governor Weicker, and when Governor
20 Weicker saw the problems we had here in Connecticut, he
21 did something about it, and what he did was he put in the
22 income tax, and that brought more revenue into the State
23 of Connecticut than any other tax, and it still is
24 bringing it in.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 And if it was so bad, why isn't it being
2 taken out? It isn't bad. So, in this economic climate
3 that we have, we have to look seriously at adding a half
4 a percent or something more to that income tax,
5 otherwise, we're going to be cutting aid to schools,
6 we're going to be cutting aid to everywhere else, and,
7 yet, there are some prosperous counties here in the state
8 where the money is.

9 So if Governor Weicker had the courage to
10 do that, I think someone in the State should also be
11 talking about that.

12 Now when we mentioned that we're losing
13 talent here in the state, and we are, it is because,
14 largely because we don't have these small, high-tech
15 parks. We don't have the technology parks these students
16 want to work in. They want to go to areas where
17 technology and high-tech is available.

18 And, so, I think what we should be doing
19 is developing with our colleges R & D parks in close
20 relationship with them, so that the students that are in
21 the technology field can work in the industries close to
22 the colleges that they're working at.

23 They have one down in New Haven, a fairly
24 successful R & D park, but we don't have one that I know

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 of in any of the other colleges' towns. We missed the
2 boat by not putting the community college down in the
3 Norwich Hospital. There could have been a technology
4 park associated with that, but maybe there are still ways
5 to do that all over the State.

6 They're doing that at other colleges in
7 other states. They have these R & D and technology
8 parks, and we should. They give good training to the
9 students. Someone talked about training with industry.
10 They could do that right there at those parks and get a
11 head start.

12 Along with that, I think where Connecticut
13 has had only a single vision was they looked at large
14 corporations. They always look to a large corporation
15 coming in and handling the problem, and they're not
16 looking to the small business people here in the State of
17 Connecticut.

18 We have very few incubator parks. I
19 talked here with Bob Mills about incubator parks here in
20 Norwich. We don't have one. We have one down in New
21 London area, and we have some up in the Plainfield area,
22 but we certainly -- I think every town should be looking
23 at incubator parks to grow these small businesses that
24 will become the businesses of the future, and the State

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 has to help with this idea, lending some talent to this
2 incubator park idea, so that it becomes a growth.

3 I don't think we can necessarily put all
4 our eggs that we're going to get a big corporation to
5 come down here like we may be talking about.

6 I'm glad to see that the SBIR, the small
7 business group, is looking at diversification beyond the
8 defense industry and is looking to get into the energy
9 industry and other industries. I think that's
10 encouraging.

11 I wanted to talk about diversification
12 briefly. There was a State committee that was set up
13 here in Eastern Connecticut to diversify the industries
14 down here. Unfortunately, they didn't do -- they haven't
15 done too much.

16 The Governor ought to revise that
17 Commission, and she ought to get some new talent in
18 there, and we now are talking about green jobs. We're
19 talking about energy clusters, perhaps.

20 I know that Tim Bowls(phonetic), who ran
21 for First Selectman in Preston, and he ended up with the
22 Second Selectman job, but he's been pushing an energy
23 park, energy industry right there at the Norwich
24 Hospital, so I think we should be talking about

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 diversification here in Eastern Connecticut. I think a
2 cluster makes sense when you talk about green jobs and
3 energy, because that's where the growth seems to be with
4 President Obama. President Obama is talking that same
5 way now. He says that's where the jobs are going to be,
6 so maybe we can tie in with that, and I think we ought
7 to.

8 I want to talk briefly about rail.
9 There's the rail corridor you're talking about between
10 Springfield, Hartford and New Haven. There's another
11 corridor here that may be a sleeper that is interesting.

12 I have quite a few friends that live up in
13 the Plainfield area, and they are beginning to think
14 about moving to Worcester, because of the advantages that
15 the City of Worcester now offers in medical and other
16 high-tech businesses and so forth.

17 I'm wondering why, if we created a rail,
18 and I guess there is a freight rail already there that
19 connects Worcester to New London, if that wasn't the next
20 rail system that we could be looking at here in the State
21 to connect up to that growing metropolitan area, and
22 instead of our people leaving to go up there, they'd have
23 a communication both ways, bringing people down to the
24 casinos, for example, and don't have to crowd our

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 highways and develop a small business along that rail
2 line and provide a transportation back and forth. That
3 would be interesting.

4 We do have the lines already in, freight
5 lines, and I know that Senator Williams has been talking
6 about that, as well, maybe the time to study that would
7 be coming up soon.

8 Finally, I think I'd like to talk about
9 what the State is looking at as solar energy, because
10 that's something that interests me personally. We built
11 two schools here in the last few years, the last two
12 years. One was the Three Rivers Community College.

13 That was built over on New London
14 Turnpike, it was moved from one area and completely built
15 almost into a new school, and I didn't see any solar
16 panels, or any solar electric systems, or any thermal
17 solar systems on that school.

18 And then we have the Norwich Technical
19 High School that was built up. Both of these schools are
20 60-million-dollar cost. This is a beautiful school
21 that's up in Mohegan Park, the Norwich Tech., and, yet,
22 there's no solar. There's no solar on that, so I want to
23 suggest that the State get with it and start putting
24 solar panels on all the State buildings and all the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 municipal buildings that can be oriented in the proper
2 way.

3 This would really create some jobs in this
4 area here and keep that going, and it would pay in the
5 long run to reduce our dependence on electricity.

6 There's also the area of solar thermal.
7 Solar thermal has hot water, but it also has warm air
8 heating in the wintertime, and we have many State
9 housings that the State supports.

10 They supply them with fuel, and they have
11 fuel initiatives all over the State for people that can't
12 afford to heat their homes in the wintertime, so I think
13 the State should be promoting solar thermal heating in
14 some of those State housing and State buildings, and that
15 is a far less expensive panel, the solar heating panels.

16 Thermal heating panels are far less
17 expensive than the solar electric, and it can be done at
18 about one-third of the cost, and that would also increase
19 industry and give jobs and reduce the dependence on oil,
20 the greenhouse gases, and save the State some money on
21 fuel subsidies.

22 CHAIRMAN McMILLEN: Thank you, Ernie.

23 MR. COHEN: You're welcome.

24 CHAIRMAN McMILLEN: I would point out that

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 the Connecticut Clean Energy Fund is capitalized at more
2 than 30 million dollars and provides substantial
3 subsidies to commercial and residential people who want
4 to put solar thermal or solar photovoltaic on their
5 roofs. I, myself, took advantage of that.

6 MR. COHEN: Oh, it's a great fund, and it
7 should be encouraged and continue to be funded.

8 CHAIRMAN McMILLEN: Um-hum.

9 MR. COHEN: And expanded.

10 CHAIRMAN McMILLEN: Agreed. John -- I'm
11 sorry. I'm having --

12 MR. JOHN FILCHAK: Filchak.

13 CHAIRMAN McMILLEN: Filchak. Thank you.

14 MR. FILCHAK: Good evening. I'm John
15 Filchak. I'm the Executive Director of the Northeastern
16 Connecticut Council of Governments, which covers 12 towns
17 to the north of here. Joining me is Mark Paquette, the
18 Executive Director of the Windham Council of Governments,
19 which covers nine towns. Together, we cover all of
20 Windham County and one town in Tolland County. One town,
21 right?

22 MR. MARK PAQUETTE: Yes.

23 MR. FILCHAK: Yes. And, collectively,
24 along with the Town of Sprague in the southeast, we have

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 had a comprehensive economic development strategy in
2 place accepted by the federal government since 2002, and
3 we just want to reiterate or support the statements that
4 were made earlier for the formation of districts and for
5 the State to get behind those of us who would like to
6 proceed in that venture.

7 As was said earlier, I think all 50 states
8 and the Virgin Islands we trail, in terms of getting EDA
9 money. We can reverse that, and many of us are ready to
10 go. Whether Mr. Markowicz is going to be first or not,
11 we'll see. (Laughter) We're willing to have that race
12 if we are given the opportunity, and we sure would like
13 to try. Mark?

14 MR. PAQUETTE: We just really seek the
15 DECD's support, as well as the Governor's support. Some
16 of the recent legislation coming out of our legislature,
17 in terms of smart growth, really noted that this is the
18 direction we should be going in. It's really important.

19 CHAIRMAN McMILLEN: Yeah, I agree. It's
20 something that's come up time and again. I'm not exactly
21 clear on why it hasn't moved forward, but certainly this
22 message will be delivered to the Commission.

23 MR. FILCHAK: Thank you. I have one
24 specific thing that I'd just like to mention on page 385.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 CHAIRMAN McMILLEN: 385?

2 MR. FILCHAK: 385, where the report speaks
3 to property taxation and equalized mill rates, and then
4 it gives a couple of additional looks at property tax and
5 the tax capacity index, etcetera, and I found that very
6 intriguing, but very confusing.

7 I went to the Rhode Island website and the
8 other stuff, asked other people, and it's something I
9 think could be very valuable. My suggestion would be
10 somehow to simplify that and make it more understandable
11 for people, like myself, who don't have a degree in
12 economics.

13 CHAIRMAN McMILLEN: Okay.

14 MR. FILCHAK: Because I think what I
15 understand it to be now is a very good measure when I'm
16 looking at towns and the studies that we do, and I think
17 it's great information. I had to dig pretty hard to get
18 my arms around it.

19 CHAIRMAN McMILLEN: Okay, well, okay, I
20 wrote that. (Laughter) Could you tell?

21 MR. FILCHAK: I did say it was great
22 stuff.

23 CHAIRMAN McMILLEN: It is. My intention
24 was to make it useful and helpful and to paint a picture.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 MR. FILCHAK: And it was.

2 CHAIRMAN McMILLEN: And I got the idea
3 from Rhode Island. They used it first, but I thought it
4 was an interesting way to look at the ability of towns to
5 tax their properties and see on a map just where those
6 areas are.

7 MR. FILCHAK: Yeah.

8 CHAIRMAN McMILLEN: Yet it's not clear the
9 meaning of what this is, or? I want to make it clear.

10 MR. FILCHAK: I just took me awhile to get
11 to it.

12 CHAIRMAN McMILLEN: Okay.

13 MR. FILCHAK: In fact, we've incorporated
14 that approach in one of the -- we do a lot of work with
15 towns where there are plans of conservation and
16 development, and that's in one of the proposed plans now
17 for one of our towns. I believe it's got a lot of value.
18 It just took me awhile to figure it out.

19 CHAIRMAN McMILLEN: Okay. I'll work on
20 it.

21 MR. FILCHAK: I'm not trying to --

22 CHAIRMAN McMILLEN: No, no. My intent is
23 not to confuse, but to create something of usefulness to
24 people.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 MR. FILCHAK: I think it takes the
2 equalized mill rate and brings it up to another stage and
3 lets us make better comparisons, so it works. Thank you.

4 CHAIRMAN McMILLEN: Thank you.

5 MR. PAQUETTE: Stan, can I add one more
6 thing?

7 CHAIRMAN McMILLEN: Sure.

8 MR. PAQUETTE: -- the whole plan, great
9 job. You did a lot of work on it, but it's pretty
10 lengthy, and to take some of those implementation
11 segments you had at the end and maybe bring them to the
12 front? People aren't going to read that whole thing, and
13 if you can catch them in the front with some of the
14 implementation things and the goals, I think you'd catch
15 more attention of people looking at the plan. Just a
16 suggestion.

17 CHAIRMAN McMILLEN: Yeah, I appreciate
18 that. I think sort of the layout, the structure of it
19 followed the law, the way the law was sort of -- I mean
20 the law almost defined a table of contents sort of the
21 way we looked at it.

22 MR. PAQUETTE: Okay.

23 CHAIRMAN McMILLEN: On the other hand,
24 what you could do is simply put a tab in here.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 (Laughter). Melissa Olson?

2 MS. MELISSA OLSON: Good evening.

3 CHAIRMAN McMILLEN: Good evening.

4 MS. OLSON: I'm State Representative
5 Melissa Olson, and welcome to my district. Thank you for
6 coming down to Norwich.

7 CHAIRMAN McMILLEN: You're welcome.

8 MS. OLSON: And giving everyone the
9 opportunity to speak on this important issue of economic
10 development. We spent a lot of time here in Norwich
11 speaking about economic development.

12 You've heard some of the work that's been
13 done here, and, to start off, I'm going to try to be very
14 brief. To start off, I think it's very important that
15 we've developed this economic plan, this vision.

16 As we know, just recently, when the
17 administration was asked for projects, which were
18 certified ready to apply for federal stimulus grants, it
19 couldn't be done.

20 We didn't have that strategic vision. We
21 didn't have that strategic plan of what is ready to go,
22 what we had shovel ready, what our priorities were in
23 developing economically, but, also, promoting the State
24 of Connecticut, so it's important to have this plan.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 Certainly, one of the most important
2 issues about economic development is job creation, and I
3 think in the legislature we try to establish some of our
4 priorities through the way spending is addressed.

5 For instance, spending on education, we've
6 talked about that tonight. Many people have talked about
7 that. We know how important that is. We know that every
8 dollar we spend in education has that ripple effect when
9 we spend it on primary education, secondary education,
10 investment in our community colleges, as well as our
11 State schools and our universities.

12 Certainly, that has the effect every
13 dollar spent exponentially grows by creating our educated
14 and certainly capable and able workforce, but then we
15 have to switch to the second side here.

16 What are we, then, creating in the State
17 that will attract and keep and retain these students that
18 we are investing in in our community colleges and our
19 State universities and so on and so forth.

20 So we've heard some discussions, and I've
21 briefly taken a look at this very thick plan. We've
22 talked about the biosciences. We've talked about fuel
23 cells. We've talked about other more technical fields.
24 All very important. Then we need to take that to the

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 next step, and there needs to be an investment in those
2 areas, in those arenas, so I don't understand why, then,
3 the next step is that there are proposals to cut funding
4 to stem cell research, or the biosciences, or the
5 technological sciences in this state.

6 You can't have it both ways. We can't be
7 investing in our kids and in our schools and then turn
8 around and cut the legs right out of those programs, and,
9 so, I guess my question, then, would be, and perhaps this
10 isn't the chance for me to ask a question, but I would
11 like to have this question answered, maybe not this
12 evening, what, in fact, are the priorities?

13 We have a very thick study. We need to
14 know -- in order to implement that, in order for us to
15 work together, what are those priorities, number one,
16 and, number two, how do we get all of these agencies that
17 we have in the State of Connecticut, how do we get them
18 working together focused on those few priorities that we
19 outline, and how do we get the administration, then, to
20 direct that vision to address those priorities and stay
21 focused on that message, so that if a federal stimulus
22 program comes along and they say, okay, Connecticut, what
23 are you ready for, we're going to say, look, A is going
24 to accomplish this, B is going to get us to the next

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 step, and, C, that's where our end result is.

2 How are we going to, then, direct everyone
3 and focus that project? And that would be my question.
4 I don't know that I can get an answer this evening, but I
5 think that's the answer that we're looking for as we move
6 forward in the legislative session, especially when we're
7 dealing with very difficult times for spending and
8 difficult choices that we have to make.

9 What would be the most important thing
10 that we need to address?

11 CHAIRMAN McMILLEN: Well my opinion from
12 the Executive Branch is to have a responsible balanced
13 budget. That sort of throws it back in your lap, but I
14 think that's certainly one of the issues. Not that
15 that's an easy task. It's a very difficult task.

16 I also think we need leadership in both
17 branches of government. I think, in order for any plan,
18 if anybody comes out of industry, or has developed
19 strategic plans for their churches, or organizations, or
20 their CEDS, it takes leadership. Somebody has got to
21 embrace that plan. There's got to be a champion to move
22 it forward.

23 And I'm looking at the legislature.
24 Hopefully, this Governor or the next Governor will

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 embrace the plan. It's not the be all and end all. It
2 is a point of departure. Not that everything in here is
3 new. I mean many of you have been around for a long time
4 and seen these things before. They're recycled, but you
5 know what? A good idea doesn't have to die. It can
6 resurface, but we need leadership.

7 I'm saying that openly, and maybe I'll get
8 criticized by the Governor, but you know what? We need
9 leadership. We need to have a balanced budget, and
10 that's the legislature's task to do, and I think, if we
11 do that, if we have leadership, we embrace this plan, the
12 public embraces the plan, we have ways to move us forward
13 here.

14 The things we've heard there's good things
15 in here, and there's maybe some doubtful things in here,
16 but this is something that we can rally around and move
17 forward, because, if we don't, I think we've all heard
18 here, and I heard it in other parts of the State, we
19 don't have a rosy future, so we need to have a budget to
20 get the State on a firm fiscal footing, and, as I said
21 before, we're facing a permanent fiscal crisis, like all
22 the states in the United States, because of the
23 demographic and structural changes that are going on, so
24 we need to face up to long-term potential revenue

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 shortfalls, so we need to rethink government from the
2 ground up, I think, just the way businesses are
3 rethinking their own businesses.

4 They're getting leaner and meaner, and
5 they're figuring out how to do more with less, be
6 smarter, work smarter. Government needs to do the same
7 thing at all levels, the Federal, the State and the Local
8 level. I'm sorry if I'm preaching, but you asked me my
9 question. I'm now going to give you what my Stan
10 McMILLEN opinion is.

11 And this is not necessarily the opinion of
12 the agency or the Governor, but I think we need to have
13 people embrace this plan and move forward. It's a point
14 of departure.

15 MS. OLSON: Stan, I appreciate your
16 position, because I think a lot of the things that you
17 said are absolutely right. You're right about the
18 streamlining of government. That is absolutely something
19 that we need to embrace.

20 Smart growth initiatives that have just
21 started, they've been a long time coming. I think
22 absolutely that's something that we need to keep building
23 on. The proposals of regionalism that we were able to
24 get through last year, clearly, we've heard from folks

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 today how important those regionalism issues are in
2 getting us moving forward, and, again, to contributing to
3 the streamlining of government.

4 And I look forward to hearing from the
5 administration, as well, about balancing the budget,
6 because certainly, as you indicated, all sides need to
7 come together and get this proposal done and get this
8 done.

9 Certainly, no one branch of government has
10 the ability to pass one budget, and, so, I think
11 absolutely we need that contribution from both sides, and
12 I really look forward to hearing more about this proposal
13 and the specific ways that we can start achieving some of
14 these goals, because I think you're right.

15 I think this is a starting point, but we
16 need to build on that and get a better understanding,
17 then, of what we can accomplish short-term, long-term,
18 and how we should make those investments of our precious
19 dollars, so I appreciate this very much in giving us that
20 opportunity.

21 CHAIRMAN McMILLEN: Yeah. Just to answer
22 that last piece, Commissioner McDonald spoke to Senator
23 LeBeau's Commerce Committee a week and a half ago, and
24 one of the things that -- these 66 initiatives sort of

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 break down into three groups there, those that can be
2 accomplished with legislative changes, those that can be
3 accomplished with administrative changes, and those that
4 are sort of in a gray area.

5 And, so, as the Commissioner told Senator
6 LeBeau, we will be submitting a legislative packet, so
7 those proposals that we think require legislative action,
8 and there are several in here, they will be in our
9 legislative packet, and we will attempt to prioritize
10 them, based on what we've heard in these forums, so
11 you'll see a lot of this --

12 MS. OLSON: Good.

13 CHAIRMAN McMILLEN: -- in front of you
14 this next session.

15 MS. OLSON: Terrific. Thank you very much
16 for all of your work, and thank you, really, thank you
17 for allowing us here not having to come up to Hartford,
18 but being able to present some opinions to you, because I
19 think you get better opinions and more opinions when you
20 come out into the communities and listen to what the
21 folks have to say, so I appreciate it, and thank you very
22 much for your time.

23 CHAIRMAN McMILLEN: You're welcome. All
24 right. Everybody has spoken who has signed up. Is there

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 anybody else who would like to speak who has not signed
2 up?

3 MR. MARKOWICZ: I've got a follow-up.

4 CHAIRMAN McMILLEN: John?

5 MR. MARKOWICZ: Turning to page 538, items
6 12 and 13 and really 14, 12 is design and build a New
7 Haven/Springfield rail line, and 13 is, after you finish
8 that, build a spur to Bradley, and then 14 talks
9 generically about more parking for a New Haven line and
10 Shoreline East.

11 I would submit that if there is a priority
12 for the New Haven/Springfield line, and that's an
13 augmentation with parking and a lot of stuff and then to
14 build this spur, then there's something along the
15 shoreline, called Amtrak, and then something along part
16 of the shoreline, called Metro North, a wholly owned
17 subsidiary of the states of New York and Connecticut.

18 And if we're going to have the grandiose
19 expectations to rehab the Amtrak line between New Haven
20 and Springfield and to build a spur to Bradley Airport,
21 then we ought to have the equal moxie to expand Metro
22 North all the way to eastern Connecticut and provide
23 realistic and achievable commuter rail service. That
24 ought to be a goal, just like those other two.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 CHAIRMAN McMILLEN: Um-hum.

2 MR. MARKOWICZ: Thank you.

3 CHAIRMAN McMILLEN: One of the initiatives
4 is to have the Commissioner of Economic Development sit
5 on the Board of MTA. MTA, the Metropolitan Transit
6 Authority, runs Metro North, as you know, so that's --

7 MR. MARKOWICZ: Well Amtrak is owned by
8 somebody else, too.

9 CHAIRMAN McMILLEN: That's true. So we
10 want to get some people in positions of authority.

11 MR. MARKOWICZ: We would like Eastern
12 Connecticut to be included in the rail picture.

13 CHAIRMAN McMILLEN: Well we mentioned
14 Shoreline East.

15 MR. MARKOWICZ: Yeah, parking, and that's
16 about it, but it's Metro North. It's really expanding.
17 We're putting a lot of money. We're putting billions of
18 dollars, we, the taxpayers, into Metro North. If you
19 look at that transportation project list that the
20 Department of Transportation put out and look at the
21 purchase of those rail cars, we are paying 100 percent of
22 those with the State of New York, no federal money.

23 We need those things in Eastern
24 Connecticut, and we need to address a fundamental

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 realignment of Metro North to include more than just New
2 Haven and west. It's got to come all the way east.
3 Shoreline East is a bridge. It's an interim -- Amtrak
4 rail train set and run it around, so now you're offering
5 and the State of Connecticut is offering two, possibly
6 three rail systems. I'm just saying make Metro North --

7 CHAIRMAN McMILLEN: Yeah, it's more than
8 three. Vermont, New England --

9 MR. MARKOWICZ: No, I'm saying the State
10 of Connecticut. We're operating Metro North, we're
11 operating Shoreline East, and I presume, in this Amtrak
12 line from Springfield to New Haven, the State of
13 Connecticut putting up a billion dollars or something
14 like that is going to have some control over that, too.

15 CHAIRMAN McMILLEN: I want to get back to
16 Ernie's point. The whole rail system, freight and
17 passenger rail, is I think one of the bright futures that
18 we have, because we have a lot of rights away in rail in
19 place. We just need to make use of it. Get trucks off
20 the road.

21 We also need to make use of the short
22 tripping sea lanes that we have on Long Island Sound to
23 get trucks off. We have a ship building industry here,
24 the water taxes and so on, so there's a lot of

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 opportunity to improve our transportation system.

2 One of the other things that I talk about
3 in here is that the Poughkeepsie Bridge burned down in
4 1976, and they're now going to restore it as a tourist
5 walkover of the Hudson River.

6 The only way to get from here across the
7 Hudson River is you've got to go up to Albany and cross,
8 and it really shuts off, so I talked about the ports
9 here, and I'm really sensitive to what's going on in the
10 maritime industry, as well, not just rail.

11 Rail is part of it. You've got to have
12 the appropriate infrastructure connections, and, so, this
13 idea of rail connecting with our seaports I think is very
14 important.

15 MR. MARKOWICZ: The point that you made in
16 the presentation about the port authority and the
17 Connecticut Maritime Commission has weighed in big time,
18 saying they're not big fans of that, and the folks from
19 the Office of Responsible Growth were at one of the
20 meetings and we chatted.

21 The disestablishment of the statutory
22 Connecticut Port Authority occurred five years ago.

23 CHAIRMAN McMILLEN: I understand.

24 MR. MARKOWICZ: And I left, because I was

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 on the Transportation Strategy Board, and it was driven
2 by the Office of Policy Management, and, so, we disbanded
3 the Connecticut Port Authority, set up the Connecticut
4 Maritime Commission, so there could be a staff person
5 somewhere in the Department of Transportation, and now
6 we're déjà vu all over again.

7 I'm not taking a position one way or the
8 other. I'm just saying it's déjà vu all over again, and
9 there are some people in the room here that represent the
10 New London Port Authority, and, hopefully, they would be
11 integrated into whatever this plan is and wouldn't be
12 left to read about it.

13 CHAIRMAN McMILLEN: No. My idea, which is
14 my own idea, is that the existing assets people and other
15 real capital assets would be subsumed, but it's an idea.
16 It's an idea, because I look around the country.

17 As I said in my remarks, that I want to
18 leverage the assets that we have here to drive economic
19 growth in a coordinated, cohesive way, not a fragmented
20 way. That's not criticism. Somebody else made the
21 comment, too, about how fragmented we are.

22 Is there anybody else who would like to
23 speak? All right. We'll take a short break and see if
24 anybody else comes and signs up. Thank you.

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

1 (Off the record)

2 (Whereupon, the hearing adjourned at 7:27

3 p.m.)

RE: STATE ECONOMIC STRATEGIC PLAN
JANUARY 25, 2010

INDEX OF SPEAKERS

	PAGE
JOHN MARKOWICZ	14, 59
STEVEN COHN	17
ELSIE BISSET	19
ED DOMBROSKAS	22
BOB MILLS	23
JOHN BEAUREGARD	28
TOM PHILLIPS	32
ERNIE COHEN	37
JOHN FILCHAK	46
MELISSA OLSON	51